

1 SENATE BILL 635

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

3 INTRODUCED BY

4 Sander Rue

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10 AN ACT

11 RELATING TO TAXATION; PROVIDING FOR REMITTANCE OF GOVERNMENTAL
12 GROSS RECEIPTS TAX TO AGENCIES, INSTITUTIONS, INSTRUMENTALITIES
13 AND POLITICAL SUBDIVISIONS OF THE STATE; CONFORMING A REFERENCE
14 IN LAW FROM THE WATER AND WASTEWATER PLANNING FUND TO THE LOCAL
15 GOVERNMENT PLANNING FUND.

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. Section 6-21-6.1 NMSA 1978 (being Laws 1994,
19 Chapter 145, Section 2, as amended) is amended to read:

20 "6-21-6.1. PUBLIC PROJECT REVOLVING FUND--APPROPRIATIONS
21 TO OTHER FUNDS--REMITTANCE OF GOVERNMENTAL GROSS RECEIPTS TAX
22 REVENUE FROM THE AUTHORITY TO THE TAXATION AND REVENUE
23 DEPARTMENT.--

24 A. The authority and the department of environment
25 may enter into a joint powers agreement pursuant to the Joint

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1 Powers Agreements Act for the purpose of describing and
2 allocating duties and responsibilities with respect to creation
3 of an integrated loan and grant program to be financed through
4 issuance of bonds payable from the public project revolving
5 fund. The bonds may be issued in installments or at one time
6 by the authority in amounts authorized by law. The aggregate
7 amount of bonds authorized and outstanding pursuant to this
8 subsection shall not be greater than the amount of bonds that
9 may be annually repaid from an amount not to exceed thirty-five
10 percent of the governmental gross receipts tax proceeds
11 distributed to the public project revolving fund in the
12 preceding fiscal year. The net proceeds may be used for
13 purposes of the [~~water and wastewater~~] local government
14 planning fund and the water and wastewater project grant fund
15 as specified in the New Mexico Finance Authority Act or for
16 purposes of the Wastewater Facility Construction Loan Act, the
17 Rural Infrastructure Act, the Solid Waste Act or the Drinking
18 Water State Revolving Loan Fund Act.

19 B. Public projects funded pursuant to the
20 Wastewater Facility Construction Loan Act, the Rural
21 Infrastructure Act, the Solid Waste Act or the Drinking Water
22 State Revolving Loan Fund Act shall not require specific
23 authorization by law as required in Sections 6-21-6 and 6-21-8
24 NMSA 1978.

25 C. At the end of each fiscal year, after all debt

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1 service charges, replenishment of reserves and administrative
2 costs on all outstanding bonds, notes or other obligations
3 payable from the public project revolving fund are satisfied,
4 an aggregate amount not to exceed thirty-five percent of the
5 governmental gross receipts tax proceeds distributed to the
6 public project revolving fund in the preceding fiscal year less
7 all debt service charges and administrative costs of the
8 authority paid in the preceding fiscal year on bonds issued
9 pursuant to this section may be appropriated by the legislature
10 from the public project revolving fund to the following funds
11 for local infrastructure financing:

12 (1) the wastewater facility construction loan
13 fund for purposes of the Wastewater Facility Construction Loan
14 Act;

15 (2) the rural infrastructure revolving loan
16 fund for purposes of the Rural Infrastructure Act;

17 (3) the solid waste facility grant fund for
18 purposes of the Solid Waste Act;

19 (4) the drinking water state revolving loan
20 fund for purposes of the Drinking Water State Revolving Loan
21 Fund Act;

22 (5) the water and wastewater project grant
23 fund for purposes specified in the New Mexico Finance Authority
24 Act; or

25 (6) the ~~[water and wastewater]~~ local

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1 government planning fund for purposes specified in the New
2 Mexico Finance Authority Act.

3 D. The authority and the department of environment
4 in coordination with the New Mexico finance authority oversight
5 committee may recommend annually to each regular session of the
6 legislature amounts to be appropriated to the funds listed in
7 Subsection C of this section for local infrastructure
8 financing.

9 E. Annually, within sixty days of the conclusion of
10 a fiscal year, and after payment of all debt service charges,
11 replenishment of reserves and administrative costs on all
12 outstanding bonds, notes or other obligations payable from the
13 public project revolving loan fund outstanding and owed in the
14 previous fiscal year, the authority shall remit to the taxation
15 and revenue department sixty-five percent of remaining revenue
16 attributable to the governmental gross receipts tax that was
17 distributed to the authority in the previous fiscal year
18 pursuant to Section 7-1-6.38 NMSA 1978. The authority shall
19 annually provide to the department a written accounting of its
20 expenditure of the revenue attributable to the governmental
21 gross receipts tax during the previous fiscal year at the time
22 of the remittance to the department."

23 SECTION 2. Section 7-1-6 NMSA 1978 (being Laws 1978,
24 Chapter 55, Section 1, as amended) is amended to read:

25 "7-1-6. RECEIPTS--DISBURSEMENTS--FUNDS CREATED.--

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1 A. All money received by the department with
2 respect to laws administered pursuant to the provisions of the
3 Tax Administration Act shall be deposited with the state
4 treasurer before the close of the next succeeding business day
5 after receipt of the money, except that for 1989 and every
6 subsequent year, money received with respect to the Income Tax
7 Act during the period starting with the fifth day prior to the
8 due date for payment of income tax for the year and ending on
9 the tenth day following that due date shall be deposited before
10 the close of the tenth business day after receipt of the money.

11 B. Money received or disbursed by the department
12 shall be accounted for by the department as required by law or
13 regulation of the secretary of finance and administration.

14 C. Disbursements for tax credits, tax rebates,
15 refunds, the payment of interest, the payment of fees charged
16 by attorneys or collection agencies for collection of accounts
17 as agent for the department, attorney fees and costs awarded by
18 a court or hearing officer, as the result of oil and gas
19 litigation, the payment of credit card service charges on
20 payments of taxes by use of credit cards, distributions and
21 transfers shall be made by the department of finance and
22 administration upon request and certification of their
23 appropriateness by the secretary or the secretary's delegate.

24 D. There are hereby created in the state treasury
25 the "tax administration suspense fund", the "extraction taxes

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1 suspense fund" and the "workers' compensation collections
2 suspense fund" for the purpose of making the disbursements
3 authorized by the Tax Administration Act.

4 E. All revenues collected or received by the
5 department pursuant to the provisions of the taxes and tax acts
6 set forth in Subsection A of Section 7-1-2 NMSA 1978 and
7 ~~[through June 30, 2009, federal funds from the temporary~~
8 ~~assistance for needy families program pursuant to an agreement~~
9 ~~that the department and the human services department may enter~~
10 ~~into for the payment of tax refunds, tax rebates and tax~~
11 ~~credits to low-income families with dependent children~~
12 ~~otherwise authorized by state and federal law]~~ remittances
13 received by the department from the New Mexico finance
14 authority pursuant to Subsection E of Section 6-21-6.1 NMSA
15 1978 shall be credited to the tax administration suspense fund
16 and are appropriated for the purpose of making the
17 disbursements authorized in this section or otherwise
18 authorized or required by law to be made from the tax
19 administration suspense fund.

20 F. All revenues collected or received by the
21 department pursuant to the taxes or tax acts set forth in
22 Subsection B of Section 7-1-2 NMSA 1978 shall be credited to
23 the extraction taxes suspense fund and are appropriated for the
24 purpose of making the disbursements authorized in this section
25 or otherwise authorized or required by law to be made from the

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1 extraction taxes suspense fund.

2 G. All revenues collected or received by the
3 department pursuant to the taxes or tax acts set forth in
4 Subsection C of Section 7-1-2 NMSA 1978 may be credited to the
5 tax administration suspense fund, unless otherwise directed by
6 law to be credited to another fund or agency, and are
7 appropriated for the purpose of making disbursements authorized
8 in this section or otherwise authorized or required by law.

9 H. All revenues collected or received by the
10 department pursuant to the provisions of Section 52-5-19 NMSA
11 1978 shall be credited to the workers' compensation collections
12 suspense fund and are appropriated for the purpose of making
13 the disbursements authorized in this section or otherwise
14 authorized or required by law to be made from the workers'
15 compensation collections suspense fund.

16 I. Disbursements to cover expenditures of the
17 department shall be made only upon approval of the secretary or
18 the secretary's delegate.

19 J. Miscellaneous receipts from charges made by the
20 department to defray expenses pursuant to the provisions of
21 Section 9-11-6.2 NMSA 1978 and similar charges are appropriated
22 to the department for its use.

23 K. From the tax administration suspense fund, there
24 may be disbursed each month amounts approved by the secretary
25 or the secretary's delegate necessary to maintain a fund hereby

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1 created and to be known as the "income tax suspense fund". The
2 income tax suspense fund shall be used for the payment of
3 income tax refunds."

4 SECTION 3. A new section of the Tax Administration Act is
5 enacted to read:

6 "[NEW MATERIAL] DISTRIBUTION--REMITTANCES FROM NEW MEXICO
7 FINANCE AUTHORITY TO STATE AGENCIES.--An annual distribution
8 pursuant to Section 7-1-6.1 NMSA 1978 shall be made each
9 October 1 to each agency, institution, instrumentality and
10 political subdivision of the state that paid governmental gross
11 receipts tax in the previous fiscal year in an amount equal to
12 each entity's percentage of governmental gross receipts tax
13 paid in the previous fiscal year multiplied by the amount
14 remitted to the department from the New Mexico finance
15 authority for the previous fiscal year pursuant to Subsection E
16 of Section 6-21-6.1 NMSA 1978."